

# State of the Landscape 2025

**A year of scale, concentration, and structural complexity.**

European Pharma & Biotech closed 2025 with 935 tracked deals and more than \$154 billion in disclosed value, driven by blockbuster strategic alliances and a rebound in venture deployment.

935

total deals tracked

\$7.4B

in venture financing deployed

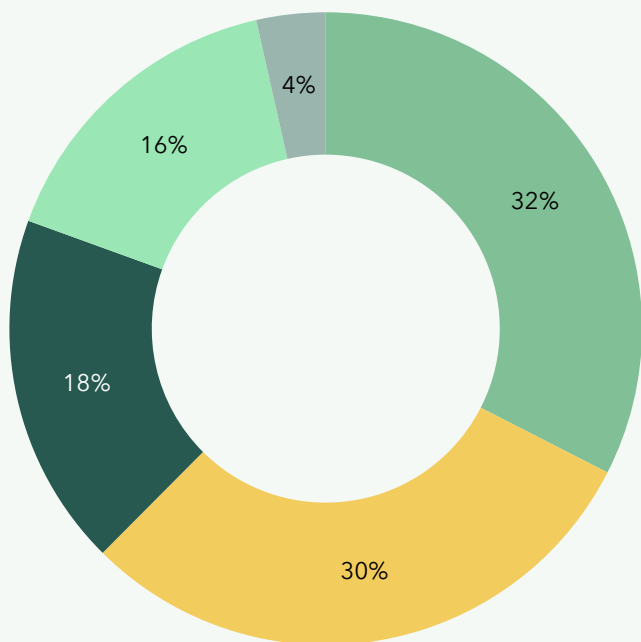
486

capital raising transactions

2025 Full Year · All deal types

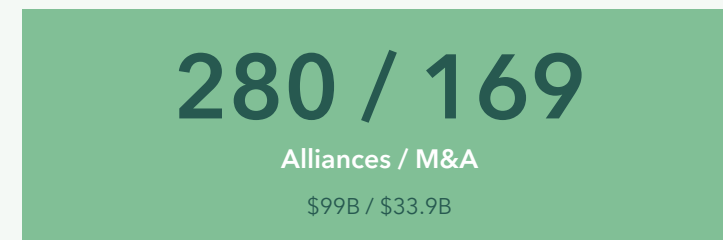
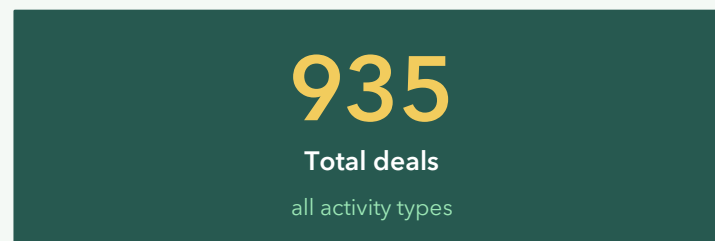
## Alliance volume dominates – venture capital rebounds strongly

The 2025 landscape covers 935 transactions. Venture financing accounted for 304 deals and \$7.4B deployed into innovative companies. Strategic alliances dominated by disclosed value at \$99B, reflecting the growing importance of partnership capital in European drug development. M&A contributed \$33.9B, heavily concentrated in two mega-deals: Merck’s \$10B acquisition of Verona Pharma and Genmab’s \$8B purchase of Merus.



Deal count by type · 935 total

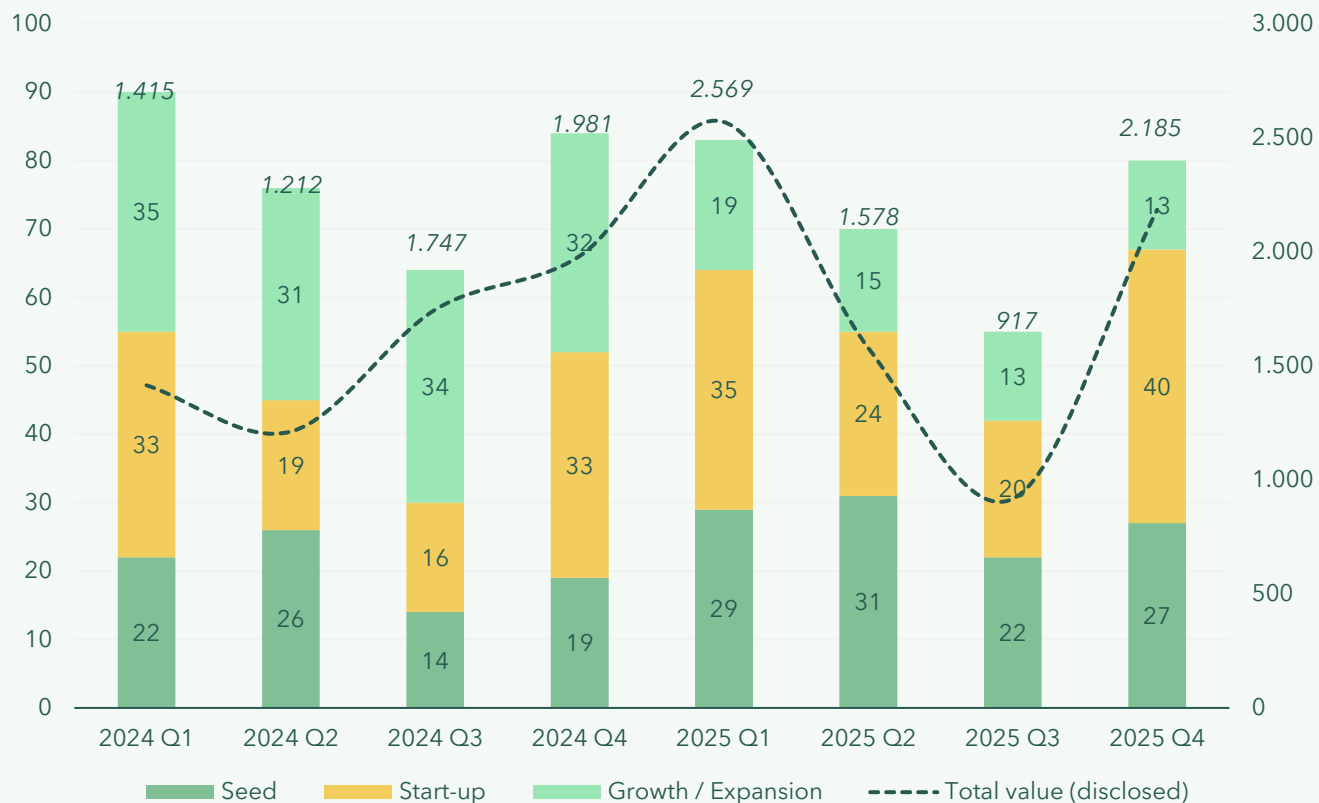
- Venture Financing
- Strategic Alliances
- M&A
- Equity Offerings
- Private Equity



# 35% MORE SEED ROUNDS, GROWTH CAPITAL CONTRACTED SHARPLY

Venture deal counts and median ticket sizes · Q1 2024 - Q4 2025

## European pharma & biotech venture deal landscape 2024-2025



## Median ticket sizes (\$M)

Quarter	Seed	Start-up	Growth
Q1 '24	10.5	18.8	25.0
Q2 '24	9.2	15.0	22.0
Q3 '24	8.8	16.5	30.0
Q4 '24	11.0	19.5	38.0
Q1 '25	2.5	15.0	30.5
Q2 '25	2.1	18.0	45.0
Q3 '25	2.9	22.0	55.0
Q4 '25	3.5	21.5	<b>62.0*</b>

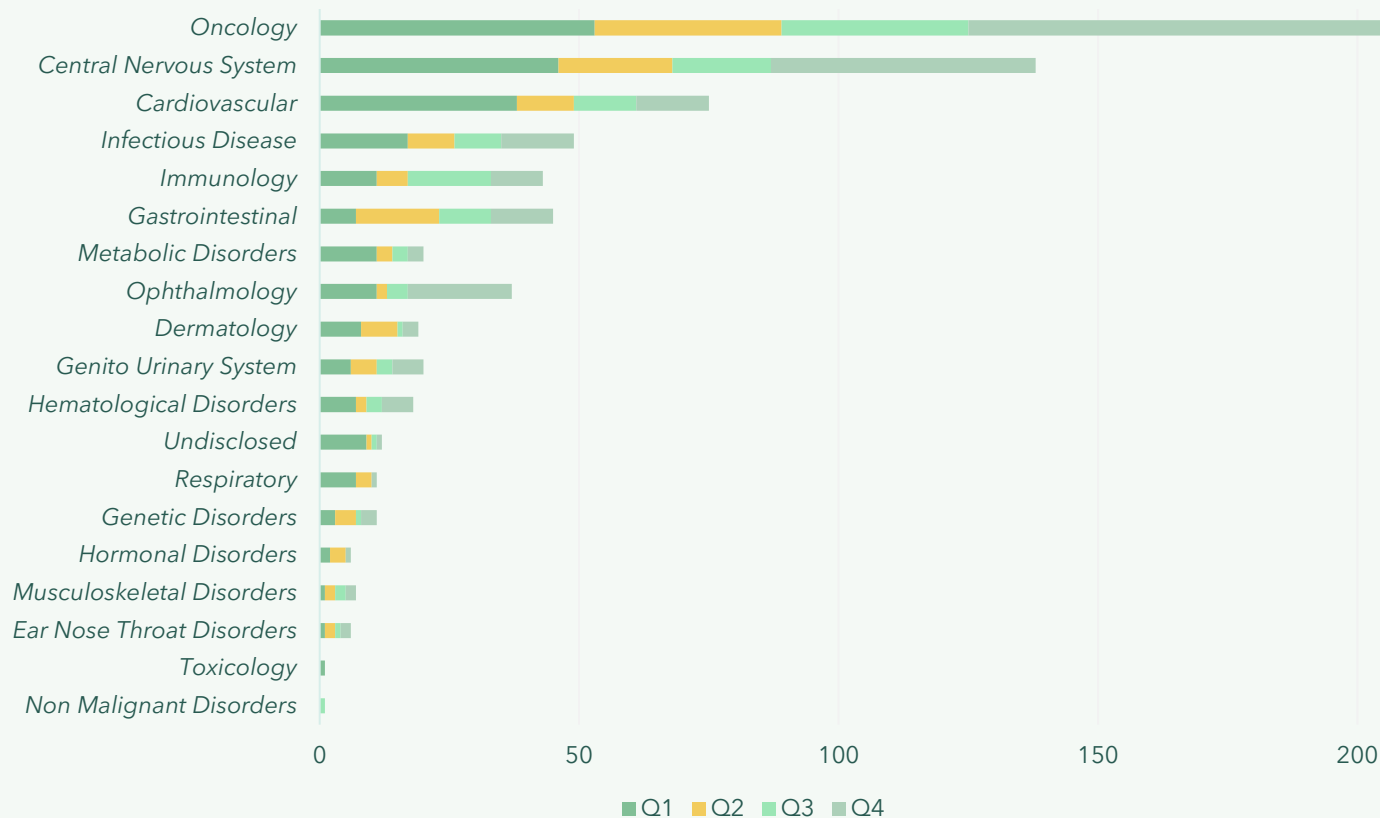
\* Q4 growth median includes Isomorphic Labs \$600M Series A.

2025 pharma VC is a tale of two poles: seed rounds surged (109 vs 81 in 2024), while growth/expansion deal count fell 64% (132 to 47).

Yet, median growth tickets rose, driven by large platform rounds in AI drug discovery and gene therapy.

Venture deal count by therapeutic area of lead compound in deal

## Oncology dominant. Neurology/CNS consolidating. Gene Therapy maturing.



### Oncology dominant

200 deals in 2025. ADC platforms, radioligand therapies, and next-generation immuno-oncology sustaining deal flow across all four quarters.

### Neurology/CNS consolidating

138 deals. RNA therapeutics and gene therapy for neurodegeneration attracting larger tickets. Increasing crossover with rare disease.

### Gene Therapy maturing

31 deals. AAV and non-viral delivery platforms attracting growth capital. Milan and London anchoring geographic clusters.

### AI/Platform crosscutting

60+ platform-stage deals across therapeutic areas. AI drug discovery increasingly classified as pharma infrastructure rather than pure tech.

# ROUNDS THAT MOVED THE NEEDLE

Five rounds selected for narrative significance, not size alone

2025 did not lack landmark deals. The five below each represent a specific market dynamic, sector thesis, or structural shift the aggregate numbers alone do not capture.



## \$600M Series A Isomorphic Labs

*AI Drug Discovery*

The defining venture round of 2025. Alphabet's DeepMind spin-out raised \$600M led by Thrive Capital and GV – the largest European pharma Series A on record. Validated AI-native drug discovery as a standalone investment thesis.



## \$357M Series C Tubulis

*Oncology · ADC Platform*

Munich-based ADC platform led by Venrock Healthcare Capital Partners. One of the largest European oncology rounds of the year. Confirmed Germany's emerging position as an ADC hub alongside UK and Switzerland.



## \$141M Series B AAVantgarde Bio

*Gene Therapy · Neurology*

Milan-based gene therapy company with Telethon Foundation roots. Demonstrated that Southern European deep science can attract institutional capital at growth-stage scale.



## \$411M Series A Verdiva Bio

*Cardiometabolic · Obesity*

Danish obesity platform co-led by Foresite Capital and Novo Holdings. One of few European rounds to match US obesity financing scale. Signals GLP-1-adjacent biology as a durable European investment theme.



## \$200M Series A Windward Bio

*Immunology*

Backed by OrbiMed, Novo Holdings and Blue Owl Healthcare. Rare example of a large immunology Series A outside oncology, validating autoimmune and inflammatory disease pipelines at top-tier syndicate scale.

Year-on-year comparison across key structural metrics

## The numbers moved significantly – but not uniformly.

Comparing 2025 against 2024 reveals genuine structural change: venture deployment rose 17%, driven by a seed-stage surge, though median ticket sizes contracted. M&A was transformed by two mega-deals. The IPO window in European pharma remained essentially closed.

Metric	2024	2025	Δ
Total venture deals	309	304	-1,6%
Total VC capital deployed	\$6.3B	\$7.4B	<b>+17%</b>
Seed deals	81	109	<b>+35%</b>
Start-up / Series A	101	113	<b>+12%</b>
Growth / Expansion	132	47	<b>-64%</b>
M&A deal count	246	169	<b>-31%</b>
Strategic Alliances count	277	280	<b>+1%</b>
EU Pharma IPO activity	Minimal	Minimal	<i>Window closed</i>

# STRUCTURING FOR 2026

*“Capital in 2025 went to extremes. Seed rounds multiplied – 109 in total, up 35% on 2024. A handful of platforms raised at venture-fund scale. Everything in between had to justify itself harder than at any point in the last decade.”*

– FFUND analysis of 935 European Pharma & Biotech transactions, 2025

The 2025 data reveals a market pulling in two directions at once. Seed count surged 35% to 109 rounds, yet median seed tickets fell to \$3.1M – more companies, thinner cheques. At the other end, just 15 rounds above \$100M absorbed 45% of all venture volume. Growth-stage deal count fell 64% (132 to 37), but median tickets increased to \$62M. Strategic alliances hit \$99B as large-cap pharma increasingly used European biotechs as externalised R&D.

## WHAT CONTINUES

**Stage polarisation:** Moderately more seed rounds, fewer growth deals – medians diverging further between early and late stage.

**Alliance volume sustained:** Large-cap pharma continues using European biotechs as R&D infrastructure. Alliance capital likely to stay above \$80B.

**Oncology & Neurology dominance:** ADC platforms and RNA therapeutics sustaining institutional appetite in both sectors through 2026.

**M&A as primary exit:** Public market window remains narrow. Trade sale to Big Pharma or US acquirer continues as the dominant exit path.

## WHAT TO WATCH

**AI drug discovery scaling:** Isomorphic-style integrated platforms may close again in 2026. The question is whether clinical validation follows the capital.

**GLP-1 adjacency broadening:** Verdiva thesis expanding: cardiometabolic, NASH, and metabolic CNS attracting follow-on capital from obesity-adjacent investors.

**Southern Europe emerging:** Italian and Spanish biotech clusters attracting institutional attention for the first time. Watch for Series B+ rounds outside UK/Germany/CH.

**Gene therapy commercial pivots:** AAVantgarde and peers approaching IND filings. 2026 may see first European gene therapy commercial-stage rounds.